

TESTIMONY OF PETER M. GIOIA VICE PRESIDENT AND ECONOMIST CONNECTICUT BUSINESS AND INDUSTRY ASSOCIATION SUBMITTED TO THE GOVERNMENT ADMINISTRATION AND ELECTIONS COMMITTEE FEBRUARY 22, 2013 LEGISLATIVE OFFICE BUILDING STATE CAPITOL HARTFORD, CONNECTICUT

Good day. My name is Pete Gioia. I am the economist for the Connecticut Business and Industry Association (CBIA). CBIA represents about 10,000 firms, which employ about 700,000 women and men in Connecticut. Our membership includes firms of all sizes and types, the vast majority of which are small businesses with fewer than 50 people.

CBIA strongly supports HB 5898 AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE COMMISSION ON ENHANCING AGENCY OUTCOMES.

CBIA is very concerned that more needs to be done to improve agency performance and to set the stage for better long term control of state spending than is reflected in the Governor's recommended budget.

It is imperative that the General Assembly find ways to add to the Governor's spending reductions to bring in a budget below the original spending cap calculations. In addition, it's vital to continue efforts to set the stage for long term savings even if immediate savings are not realized. If changes are not achieved now when we are in the midst of crisis then we will never achieve meaningful change.

CBIA feels the following areas of the commission's recommendations have particular merit.

- Recommendation for the reduction in the span of control of managers to employees to 1-10 is needed. We further suggest that because the federal government span of control is 1-14 that there is call to review this and authorize OPM to go to the federal span of control if warranted.
- More efforts for LEAN in state agencies.
- Recommendations to continue deinstitutionalization of state residential facilities is important.
- Efforts to accelerate rebalancing of long term care placements.
- Pursuit of Medicaid waivers to reduce long term costs.
- Better efforts to maximize federal reimbursements.

Given the herculean budget challenges the state faces the General Assembly ought to act to help be part of the budget cut solution with changes like the commission have proposed. This

bill will help make for better, more effective and efficient government. That will not only help out now it will help to defuse potential future deficiency problems.

Thank you for the opportunity to present this testimony.